

NOTICE TO OFFERORS

EFFECTIVE JULY 1, 2003

**THE STATE PROCUREMENT OFFICE HAS
DISCONTINUED PLACING PROCUREMENT NOTICES IN THE NEWSPAPER
FOR CHAPTER 103D, HAWAII REVISED STATUTES, PROCUREMENTS.**

Pursuant to HAWAII ADMINISTRATIVE RULES §3-122-24, Chapter 103D procurement notices will be placed on the Internet at:

<http://www2.hawaii.gov/bidapps/>

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NOTICE TO INTERESTED PARTIES

This solicitation is provided to you for information purposes only and **is not an official document**. If submitted as an offer, the State Procurement Office (SPO) will not accept it as a valid offer. It will be automatically rejected **and will not be considered for award**.

To obtain an official copy of the solicitation (evidenced by the procurement officer's signature), including any addenda to the document, interested party must contact the SPO, telephone (808) 586-0573; facsimile (808) 586-0570; or by e-mail at robert.zamarron@hawaii.gov. Please provide name of company, address, phone number, fax number, and name of contact person. Unless party provides the SPO with its Fedex (or equivalent) account number, the document will be sent by U.S. Postal Service first class mail.



STATE PROCUREMENT OFFICE

LEGAL AD DATE: November 21, 2003

INVITATION FOR BIDS
No. IFB-04-040-SW

SEALED OFFERS
FOR
FURNISHING AND DELIVERING
MOBILE 8-SECTION CUBICAL CABINET

WILL BE RECEIVED UP TO AND OPENED AT 2:00 P.M. (HST) ON
JANUARY 2, 2004

IN THE STATE PROCUREMENT OFFICE, KALANIMOKU BUILDING, 1151 PUNCHBOWL STREET, ROOM 416, HONOLULU, HAWAII 96813. DIRECT QUESTIONS RELATING TO THIS SOLICITATION TO MRS. DONNA TSURUDA-KASHIWABARA, TELEPHONE (808) 586-0565, FACSIMILE (808) 586-0570 OR E-MAIL AT donna.tsuruda-kashiwabara@hawaii.gov.

ROBERT J. GOVERNS, CPPB
Procurement Officer

IFB-04-040-SW

Name of Company

MOBILE 8-SECTION CUBICAL CABINET - STATEWIDE
IFB-04-040-SW

Procurement Officer
State Procurement Office
State of Hawaii
Honolulu, Hawaii 96813

Dear Sir:

The undersigned has carefully read and understands the terms and conditions specified in the Specifications and Special Provisions attached hereto, and in the General Terms and Conditions dated September 1, 1995 by reference made a part hereof and available upon request; and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof.

The undersigned further understands and agrees that by submitting this offer, 1) he/she is declaring his/her offer is not in violation of Chapter 84, Hawaii Revised Statutes, concerning prohibited State contracts, and 2) he/she is certifying that the price(s) submitted was (were) independently arrived at without collusion.

Date: _____

Respectfully submitted,

Telephone No.: _____

Fax No.: _____

e-mail Address: _____

(X) _____

Authorized Signature (Original)

Payment address, if other than street
address at right:

Name and Title (Please Type or Print)

Exact Legal Name of Company

Hawaii General Excise Tax Lic. I.D. No.:

Street Address

Social Security or Federal I.D. No.:

City, State, Zip Code

If offeror shown above is a "dba" or a "division" of a corporation, furnish the exact legal name of the corporation under which the contract, if awarded, will be executed:

Offeror is: ☐ Sole Proprietor ☐ Partnership ☐ Corporation ☐ Joint Venture

State of incorporation: Hawaii _____ Other _____

The following bid is hereby submitted for Mobile 8-section cubical cabinet:

DELIVERY ON OAHU

Item No.	Description	Manufacturer's Name or Brand Name	Model or Product No.	Estimated Qty.	Unit Price	Estimated Total Bid Price
1	8-Section Cubical Cabinet			200		
1.QS	Quick Ship			100		
			ESTIMATED TOTAL BID PRICE:			

Bidder shall provide the following (refer to BIDDER QUALIFICATION, Special Provisions, page SP-2):

1. Bidder's storage facility location:

Contact person and telephone number:

2. Bidder's toll-free telephone number:

3. Contractor has the capability to accept procurement/credit cards: ____ Yes ____ No

RE-STOCKING AND CANCELLATION ASSESSMENTS:

1. Percentage assessment per item re-stock cancelled order(s) prior to shipment to Hawaii, not to exceed 10% of unit price: ____%
2. Percentage assessment per item for cancelled order(s) received in Hawaii, not to exceed 35% of unit price: ____%

Offeror_____

Name of Company
IFB-04-040-SW

DELIVERY ON HAWAII

Item No.	Description	Manufacturer's Name or Brand Name	Model or Product No.	Estimated Qty.	Unit Price	Estimated Total Bid Price
1	8-Section Cubical Cabinet			10		
1.QS	Quick Ship			10		
			ESTIMATED TOTAL BID PRICE:			

Bidder shall provide the following (refer to BIDDER QUALIFICATION, Special Provisions, page SP-2):

1. Bidder's storage facility location:

Contact person and telephone number:

2. Bidder's toll-free telephone number:

3. Contractor has the capability to accept procurement/credit cards: ____ Yes ____ No

RE-STOCKING AND CANCELLATION ASSESSMENTS:

1. Percentage assessment per item re-stock cancelled order(s) prior to shipment to Hawaii, not to exceed 10% of unit price: ____%
2. Percentage assessment per item for cancelled order(s) received in Hawaii, not to exceed 35% of unit price: ____%

Offeror _____
Name of Company
IFB-04-040-SW

DELIVERY ON MAUI, MOLOKAI AND LANAI

Item No.	Description	Manufacturer's Name or Brand Name	Model or Product No.	Estimated Qty.	Unit Price	Estimated Total Bid Price
1	8-Section Cubical Cabinet			10		
1.QS	Quick Ship			10		
			ESTIMATED TOTAL BID PRICE:			

Bidder shall provide the following (refer to BIDDER QUALIFICATION, Special Provisions, page SP-2):

1. Bidder's storage facility location:

Contact person and telephone number:

2. Bidder's toll-free telephone number:

3. Contractor has the capability to accept procurement/credit cards: ____ Yes ____ No

RE-STOCKING AND CANCELLATION ASSESSMENTS:

1. Percentage assessment per item re-stock cancelled order(s) prior to shipment to Hawaii, not to exceed 10% of unit price: ____%
2. Percentage assessment per item for cancelled order(s) received in Hawaii, not to exceed 35% of unit price: ____%

Offeror _____
Name of Company
IFB-04-040-SW

DELIVERY ON KAUAI

Item No.	Description	Manufacturer's Name or Brand Name	Model or Product No.	Estimated Qty.	Unit Price	Estimated Total Bid Price
1	8-Section Cubical Cabinet			10		
1.QS	Quick Ship			10		
			ESTIMATED TOTAL BID PRICE:			

Bidder shall provide the following (refer to BIDDER QUALIFICATION, Special Provisions, page SP-2):

1. Bidder's storage facility location:

Contact person and telephone number:

2. Bidder's toll-free telephone number:

3. Contractor has the capability to accept procurement/credit cards: ____ Yes ____ No

RE-STOCKING AND CANCELLATION ASSESSMENTS:

1. Percentage assessment per item re-stock cancelled order(s) prior to shipment to Hawaii, not to exceed 10% of unit price: ____%
2. Percentage assessment per item for cancelled order(s) received in Hawaii, not to exceed 35% of unit price: ____%

Offeror_____

Name of Company
IFB-04-040-SW

(SAMPLE)

Date _____

State of Hawaii
State Procurement Office
1151 Punchbowl Street, Rm. 416
Honolulu, Hawaii 96813

Attention:

Dear Mrs.

SUBJECT: Request for Substitution

Project: _____

IFB No. _____

DAGS Job No. _____

In accordance with the requirements of the Special Provisions, we hereby submit for substitution three (3) sets of technical brochures and statement of variances for your review and approval for the item(s) shown below.

<u>ITEM</u>	<u>SPECIFIED BRAND</u>	<u>SUBSTITUTE BRAND</u>	<u>MODIFICATION/VARIANCE FEATURES</u>
-------------	----------------------------	-----------------------------	---

I further certify that my request of the above item(s) has no other variant features.

Signature

REQUEST FOR SUBSTITUTION

ITEM NO. 1

8-SECTION CUBICAL CABINET

(Pre-Approved Product: Norco 8011MWUX)

Size: 48W x 30H x 24D

Description: 8-section cubical cabinet. Three vertical dividers and 1 non-adjustable shelf each side of divider to provide 4 cubicals wide by 2 cubicals high.

Unitized Frame: Cabinet to be constructed with a fully welded unitized steel frame. The top frame to be 1-1/4" x 1-1/4" x 1/8" angle 10-gauge steel, and the bottom frame to be 1-1/4" x 1-1/4" x 1/8" angle 10-gauge steel. The uprights 16 gauge, 1"x2" steel tubing. Top and bottom rails to be 1" x 2" 16-gauge steel tubing. The upper and lower frames to be welded to four 1"x2"x16 gauge upright posts. All frame members to be thoroughly cleaned, degreased and finalized with a phosphate bath for solid paint adhesion. Polyester/urethane powder coat paint to be applied and cured in 350 degree baking process.

Frame Strength: Cabinet to be a unitized frame and must be capable of being moved by means of a forklift at the bottom of the frame, for ease in off-loading, moving, and storage.

Frame Warranty: Full Ten Year Warranty. The front of fully welded unitized frame cabinet to be picture framed in rectangular tubing (1"x2") rather than raw angle iron.

Colson Performa 6" Caster: Heavy duty 6" Colson Performa rubber wheel, 2" tread. Delrin roller bearings. Minimum rating of 500 pounds each caster. Four 3-3/4" x 4-5/8" x .225 thick steel plates shall be continuously welded to outside corners of unitized steel frame and have four 3/8" heavy duty, grade 8 bolts welded to each plate. The removable casters shall be attached to steel plates with four (4) heavy duty grade 5, 3/8" lock nuts. Provided with a Tech Lock Brake.

Exterior Panels: Sides, tops and bottoms to be 3/4 particleboard core with a minimum industry rating of 55 lb. density. Exterior of panel to have solid color or woodgrained high density laminate. Cabinet interior is one continuous color. No vinyl laminates or foils to be used on any surfaces including Kortron or painted products.

Interior Panels: All interior panels surfaced with high-density plastic laminate thermally fused with heat and pressure to 55-lb. commercial grade particleboard core.

Edges: All exposed edges to be covered with continuous polymer T molding. Polymer is guaranteed not to crack or shrink and is not affected by cleaning compounds or acids.

Nameplate: Plastic cardholder 2" x 4-1/2" (card size) open two ends to access nameplate for teacher, school and classroom identification to be provided. Nameplates to be attached to side of cabinet.

Safety: All sides and tops to be radiused at corners to prevent sharp, dangerous corners.

Assembly: Hardware construction utilized 1/4"--20 x 1-1/4" powder coated step bolts. Step bolts to be forged for a perfect finished round head for safety and powder coated to match unitized frame finish. Side panels are attached with 6 each step bolts and back panels are attached with 8 each step bolts. Bolted through all welded unitized steel frame. Step Flange Nut. Top Shall be attached to all steel top frame, 1-1/4" x 1-1/4" x 1/8" angle 10-gauge steel rectangular fully welded frame with 14 each #10 wood screws from the inside of cabinet. Top, back sides can be removed, and the all welded fully welded unitized frame will stand alone. Top and Panels are modular for easy replacement. Top and bottom panels are attached to the all welded unitized steel frame with 12 each Fast Thread #10 x 3/4" round head screws for particle board.

Exterior Color: Bannister Oak, English Oak, Southern Oak, Walnut, Teak, Almond, and Dove Grey.

Frame Color: Black, Brown, Almond, or Grey

Interior Color: Almond and Dove Grey

SPECIAL PROVISIONS

TERMS AND ACRONYMS USED HEREIN

Procurement Officer	=	The contracting officer for the State of Hawaii Procurement Office.
State	=	All agencies, including schools, participating in this agreement.
SPO	=	State Procurement Office of the State of Hawaii, located at 1151 Punchbowl Street, Room, 416, Honolulu, Hawaii 96813; P. O. Box 119, Honolulu, Hawaii 96810-0119.
Bidder or Offeror	=	Any individual, partnership, firm, corporation, joint venture, or other entity submitting directly or through a duly authorized representative or agent, a bid for the good, service, or construction contemplated.
HRS	=	Hawaii Revised Statutes
HAR	=	Hawaii Administrative Rules
GTC	=	General Terms and Conditions dated September 1, 1995 and issued by the SPO.
IFB	=	Invitation for Bids
RFP	=	Request for Proposals
GET	=	General Excise Tax

SCOPE

The furnishing and delivering of mobile 8-section cubical cabinet to various State agencies on the islands of Oahu, Hawaii, Maui, Molokai, Lanai and Kauai shall be in accordance with these Special Provisions, the attached Specifications, and the GTC, included by reference and available at the SPO, the Department of Accounting and General Services (DAGS) District Offices on Hawaii, Maui and Kauai, and on the SPO website: <http://www2.state.hi.us/bidfiles/spogtgs.pdf>.

This item will be added to the current SPO pricelist(s) for school furniture as a result of any awards made for this IFB. Participating agencies will order on an "as needed" basis during the term of the contract.

STATE'S COMMITMENT

In return for prices submitted, DAGS agencies and DOE schools will purchase all of their requirements from the successful low bidder; provided however, when quality level or product design is not suited to the agency's purpose, the Contract Administrator in consultation with the Procurement Officer may grant an exception to this commitment.

TERM OF CONTRACT

Term of contract shall begin on February 1, 2004 and end on October 14, 2004. Contract prices shall remain firm during this period.

Unless terminated, the contract may be extended by the state for an additional period of up to six months without rebidding, upon mutual agreement prior to expiration.

OFFEROR'S AUTHORITY TO BID

The State will not participate in determinations regarding an Offeror's authority to sell a product. If there is question or doubt regarding an Offeror's right or ability to obtain and sell a product, the Offeror should resolve that question prior to submitting an offer. If an Offeror offers a product that meets specifications and is acceptable and the price submitted is the lowest price bid, the contract will be awarded to that Offeror.

BIDDER QUALIFICATION

1. Bidder shall have a dealership in the State of Hawaii or be a manufacturer's representative residing in the State of Hawaii, and shall have warehousing and storage facility to stock parts and service personnel to deliver and perform adjustment and repair to the products offered. Failure to maintain the facility and personnel throughout the contract period shall be sufficient grounds for termination of contract. The facility location, contact person and telephone number shall be stated on the OFFER FORM FOR EACH ISLAND(S).
2. Bidder, if bidding on islands other than the island which its business operates, shall have a toll-free telephone number prior to award, and if successful, shall maintain the number for the duration of the contract.

Award(s) shall not be made to a bidder failing to meet these bidder qualifications.

BID PREPARATION

Offer Form, Page OF-1. Offeror is requested to submit its offer using Offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable; and to indicate exact legal name in the appropriate space on Offer Form, Page OF-1. Failure to do so may delay proper execution of the contract.

The authorized signature on the first page of the Offer Form shall be an original signature in ink. If unsigned or the affixed signature is a facsimile or a photocopy, the offer shall be automatically rejected unless accompanied by other material, containing an original signature, indicating the Offeror's intent to be bound.

Bid Prices. Unit prices shall be **all-inclusive** and shall include but not be limited to the following:

1. All applicable taxes, including the GET and applicable use tax, manufacturer and freight costs, warranty, and any other cost incurred to furnish product(s) as specified herein;
2. Delivery of product to the destination specified on the order, completely assembled, adjusted, and placed as directed; and
3. Removal of all packaging debris and wrappings after delivery and installation.

Offeror need not offer pricing for all islands to be considered for award. However, Offeror must bid on both regular delivery and quickship for each island to be considered for award.

Tax Clearance. Pursuant to §103D-328, HRS, successful Offeror shall be required to submit a tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS).

To facilitate this requirement, Offeror is urged to submit a valid tax clearance certificate together with the offer. However, if this is not feasible, the certificate should be applied for at DOTAX or the IRS and submitted to the SPO as soon as possible. If a valid certificate is not submitted on a timely basis prior to award of the contract, an offer otherwise responsive and responsible may be rejected and not considered for award.

The certificate is valid for six months from the most recent approval stamp date on the certificate. The certificate must be valid on the date it is received by the SPO.

The tax clearance certificate shall be obtained on the State of Hawaii, DOTAX *TAX CLEARANCE APPLICATION* Form A-6 (rev. 1998) which is available at the DOTAX and IRS offices in the State of Hawaii or the DOTAX website, and by mail or fax:

DOTAX Website (Forms & Information): <http://www.state.hi.us/tax/alphalist.html#a>

DOTAX Forms by Mail: (808) 587-7572
1-800-222-7572

DOTAX Forms by Fax: (on Oahu) (808) 587-7572
(outside Oahu) (808) 678-0522

Completed tax clearance applications may be mailed to one of the district tax offices listed on the application or faxed to one of the following numbers:

IRS:		(808) 541-1976
DOTAX:	Oahu	(808) 587-1720 or (808) 587-1488
	Maui	(808) 984-8522
	Kauai	(808) 274-3461
	Hawaii	(808) 974-6300

(If mailed, out-of-state offerors should send their application to DOTAX Oahu District Office.)

Tax Liability. Work to be performed under this solicitation is a business activity taxable under Chapter 237, HRS, and vendors are advised that they are liable for the Hawaii GET at the current 4% rate. If, however, an Offeror is a person exempt by the HRS from paying the GET and therefore not liable for the taxes on this solicitation, Offeror shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.

Taxpayer Preference. For evaluation purposes, pursuant to §103D-1008, HRS, the Bidder's tax-exempt price offer submitted in response to an IFB shall be increased by the applicable retail rate of general excise tax and the applicable use tax. Under no circumstance shall the dollar amount of the award include the aforementioned adjustment.

Pre-approved Products Only. For this solicitation all products offered require pre-approval by the State prior to bid opening date. The intent of the State is to purchase high-grade quality furniture and equipment. However, it is not the State's intent to exclude or limit the products of any responsible manufacturer, if such products are comparable to the quality, performance and/or characteristics of the "pre-approved product(s)".

For substitution consideration, interested bidders must submit, for evaluation, product specification literature and/or other pertinent specification information, listing modifications, if any, to **Donn Tsuruda-Kashiwabara of the SPO, 1151 Punchbowl Street, Room 416, by December 5, 2003, 4:30 p.m.**

The written request shall be submitted in triplicate, together with three (3) sets of technical brochures, and shall be accompanied by three (3) copies of a statement of variances, if any, as described on the attached Sample Request for Substitution.

The statement of variances must list all features of the proposed substitution, which differ from the plans, specifications and/or product(s) specified and must further certify that the substitute has no other variant features. The brochures shall be clearly marked showing the make, model, size, options, etc. and must include sufficient evidence to enable the State to evaluate each feature listed as a variance. Should an unlisted variance be discovered upon review of the product literature, the penalty shall be immediate rejection of the request for substitution.

Any product determined by the SPO, upon evaluation, to be an acceptable equal, will be listed in an addendum issued prior to the bid opening date. The State will be the sole judge as to the comparable quality and suitability of the product and its decision shall be final. If an offeror offers a product without the State's pre-approval, the product shall not be considered for award.

Samples. Prior to pre-qualifying a product, product samples and/or shop drawings will be requested. All furniture and/or shop drawings furnished and installed, as a result of this bid solicitation must be fully equal to the samples and/or shop drawings submitted and approved by the SPO as an equivalent substitute.

Sample products, product brochures and other information submitted shall become the property of the State and shall not be returned; however, the State, at its option, may return product samples.

Manufacturer's Brand Name and Number. Bidder shall indicate on the Offer Form the exact manufacturer's brand and model number of each product offered. Failure to do so or indicating remarks such as "as specified" shall be sufficient grounds for rejection of the bid.

If any of the elements of product identification are missing on the Offer Form, the State will be unable to determine whether the Bidder is a responsive Bidder for the product offered. Bidder shall not be allowed to clarify product identification after bid opening. This is to ensure all bids are submitted under the same conditions with no opportunity for one Bidder having an advantage over another Bidder after exposure of bids.

Bidder shall understand that all accessories, fasteners, anchorage devices, protective finishes, trim pieces and the like for complete installations, shall be included in the bid price. The product bid shall be completely workable without the necessity of adding items after submission of the bid.

Where a series number is listed as an “acceptable product”, the series number shall be understood to include all sub-numbered items, as well as all appurtenances, to complete the product requirements.

Where a model number is specified, but the product must be modified to conform to the detailed specifications, **the product shall be modified at the factory.**

SUBMISSION OF OFFER

Offers shall be received at the SPO, 1151 Punchbowl Street, Kalanimoku Building, Room 416, Honolulu, Hawaii 96813, no later than the date and time stated on the cover page of the IFB. Timely receipt of offers shall be evidenced by the date and time registered by the SPO time stamp clock. Offers received after the deadline shall be returned unopened.

If the Offeror chooses to deliver its offer by United States Postal Service (USPS), please be aware that the USPS does not deliver directly to Room 416. This may cause a delay in receipt by the SPO and the offer may reach the SPO after the deadline, resulting in automatic rejection.

PROTEST

A protest shall be submitted in writing within five (5) working days after the aggrieved person knows or should have known of the facts giving rise thereto; provided that a protest based upon the content of the solicitation shall be submitted in writing prior to the date set for receipt of offers. Further provided that a protest of an award or proposed award shall be submitted within five (5) working days after the posting of award of the contract

The notice of award letter(s), if any, resulting from this solicitation shall be posted on the bulletin board between room 416 and room 420, 1151 Punchbowl Street, Honolulu, Hawaii 96813.

Any protest pursuant to §103D-701, HRS, and Section 3-126-3, HAR, shall be submitted in writing to the Procurement Officer, SPO, 1151 Punchbowl Street, Room 416, Honolulu, Hawaii 96813 or P.O. Box 119, Honolulu, Hawaii 96810-0119.

METHOD OF AWARD

Award(s), if any, will be made on an individual item number basis to the responsive, responsible bidder(s) meeting all of the following conditions:

1. Product offered is a “pre-approved product”. Refer to the Pre-approved Products provision under BID PREPARATION; and
2. If applicable, Bidder must bid on all sub-items of an item number. (For example, item 1 is comprised of sub-items 1a through 1i; bidder must bid on all sub-items to qualify for award for that item number.)

Act 52, SLH 2003, amended §103D-310, HRS, by adding subsection (c) which, in part, follows:

"(c) All offerors, upon award of contract, shall comply with all laws governing entities doing business in the State, including chapters 237, 383, 386, 392, and 393, and shall:

- (1) Be incorporated or organized under the laws of the State; or
- (2) Be registered to do business in the State as a separate branch or division that is capable of fully performing under the contract."

At the release of this solicitation, implementation of the law is pending guidance from the Departments of Labor and Industrial Relations and Commerce and Consumer Affairs. Should guidance be received and implemented prior to award of this contract, the prospective awardee will be required to comply.

CONTRACT EXECUTION

Successful Offeror(s) will receive a Notice of Award to which will be attached the SPO Price List showing the item(s) awarded to each successful Offeror(s). This method of award does not waive compliance with Specifications, Special Provisions, and General Terms and Conditions of the IFB.

INSCRIPTION

Inscription shall identify dealer and month and year of delivery. Inscription shall be stamped or stenciled with non-erasable ink or paint on each piece of furniture delivered under these specifications. The size of lettering shall be ½" block, and the inscription shall be placed on an inconspicuous but not concealed surface of each product. **Failure to place inscription on products delivered may result in delay of payment.**

MANUFACTURER'S BROCHURES AND COLOR CHARTS

During the contract period, Contractor shall upon request provide manufacturer's brochures and standard color charts to the following State agencies: (1) the SPO; (2) the DOE, (3) the DAGS, Division of Public Works (DPW); and (4) the DAGS, Central Services Division (CSD) at no additional charge.

Color selection shall be as stated in the Specifications, on the Offer Form pages or on the purchase order. If colors specified are not available or not specified herein, the ordering agency shall indicate color, on purchase order(s) at time of order.

If color selection is not indicated on purchase order received by the Contractor, the Contractor shall be required to contact the ordering agency listed on the purchase order. The Contractor shall contact the appropriate agency within seven (7) days from receipt of purchase order to determine color selection. **Failure of the Contractor to contact the ordering agency regarding color selection, which results in an extended delivery period, is considered unacceptable. The State Procurement office will not grant a delivery extension to the Contractor in this situation.**

QUANTITIES

Quantities listed herein are estimates for the period specified. No guarantee to purchase the exact amount listed is intended or implied. For this reason, vendors shall bid only on regular stock items to avoid inventory hardships that could arise from stocking materials for State use only.

Quantities may include purchases for quick ship option. Again, no guarantee to purchase the exact amount listed is intended or implied.

The State shall have the right to purchase smaller or larger quantities at the prices quoted herein. The Contractor, however, may at his option, request approval from the Procurement officer to terminate any line item of the contract when accumulated purchases for the line item exceed 125% of the estimated quantity stated in the bid.

The request to terminate must be in writing to the Procurement Officer and shall include a copy of the Contractor's running record of purchases for the line item, by name of agency, transaction date, and quantity sold. The Procurement Office will determine the termination date within ten (10) days from date of receipt of the request.

ORDERING

The State will place orders with the Contractor(s) on an as needed basis during the contract period. The Contractor shall honor all orders received during the contract period and deliver according to the contract terms and within the required delivery time.

The State will use purchase orders when placing orders; however, if the Contractor has the capability to accept procurement/credit cards, the State reserves the option to use either purchase orders or procurement/credit cards.

Restocking and Cancellation. If the need arises for an order to be cancelled, the ordering agency shall be responsible for the applicable re-stocking or cancellation fees based on percentages for each island.

ACKNOWLEDGEMENT

Contractor shall provide order acknowledgement and status of delivery within seven (7) days from receipt of purchase order and provide status of delivery.

DELIVERY

Delivery Dates. The State will specify delivery dates and instructions. The State will not take delivery or product(s) prior to the delivery date.

For orders received by the Contractor on October 1st through May 31st, products shall be delivered within **75 calendar days** from date of receipt of the order or date on the order, whichever is later.

For orders received by the Contractor on June 1st through September 30th, products shall be delivered within **90 calendar days** from date of receipt of the order or date on the order, whichever is later.

Quick Ship Option.

If agency specifies Quick Ship Option, Contractor shall deliver within **half the time of above delivery schedule**. Agency agrees to pay Quick Ship Option price. Therefore, if an Agency orders from a manufacturer's standard color selection, delivery shall be 38 calendar days. If an Agency selects a color other than manufacturer's standard color, delivery shall be within 45 calendar days.

Any orders received by the Contractor during the contract period must be honored, and Contractor is obliged to deliver according to the contract terms and within the required delivery time.

Notification Prior to Delivery. The Contractor shall contact the State at least two (2) working days prior to delivery for specific instructions. **The contact person and telephone number will be listed on the order.** Products shall not be delivered without prior approval.

Delivery Receipt. Upon delivery, Contractor shall ensure that a delivery receipt showing the IFB and Order number is signed and dated by State personnel.

Storage Prior to Delivery. The Contractor shall be responsible for the products until delivered, installed and accepted by the authorized State personnel for the DAGS, DPW, or CSD on Oahu or the DAGS, District Representative on the neighbor Islands. There may be occasions when storage by the Contractor is required beyond the specified delivery date. When this occurs, the Contractor must notify the authorized State personnel specified in this section at least ten (10) working days prior to incurring storage expenses to obtain approval of the daily rate for the storage. If approval is granted, the Contractor will be reimbursed.

DELIVERY EXTENSION

Contractor shall complete delivery within the time specified in the contract. If the Contractor fails to deliver within the time specified, liquidated damages in accordance with the LIQUIDATED DAMAGES provision below shall apply. However, Contractor shall not be held responsible for the delay provided he notifies the Procurement Officer in accordance with GTC Section 6.11 TERMINATION FOR DEFAULT, subsection (D) Excuse for nonperformance or delayed performance, and the reason for the delay is one of the allowable causes for delay as provided for in Section 6.11 (D).

GTC Section 6.11 (D) is amended to include delay due to reason(s) beyond the control of the Contractor as a cause for delay for which the Contractor shall not be deemed to be in default. The Procurement Officer shall be the sole judge of whether such delay is truly beyond the control of the Contractor and whether the extension will be granted. No such extension, however, shall be deemed a waiver of the right of the State to terminate the contract or to assess liquidated damages for delays not covered by specific authorized extension.

Section 6.11 (D), second paragraph, last sentence, is replaced by the following:

"If the failure to perform is caused by the failure of a subcontractor to perform or to make progress, and if such failure arises out of causes similar to those set forth above, the Contractor shall not be deemed to be in default, unless the goods or services to be furnished by the subcontractor were reasonably obtainable from other sources in sufficient time to permit the Contractor to meet the contract requirements."

PRODUCT SUBSTITUTION

The Contractor is required to deliver the products contracted for. If the Contractor is unable to do so, the Contractor shall be responsible for obtaining prior approval from the ordering agency to deliver an acceptable substitute at the contract price. Delivery of the substitute shall be made in accordance with the terms and conditions of the contract. In the event a Contractor consistently needs to substitute or refuses to substitute products, the State reserves the right to terminate the contract and initiate suspension and debarment procedures pursuant to Chapter 3-126, HAR.

LIQUIDATED DAMAGES

In the event the Contractor does not deliver within the time allowed herein, LIQUIDATED DAMAGES, §6.12 of the GTC , shall apply. Liquidated damages per calendar day shall be assessed accordingly to the following schedule. Liquidated damages shall apply to each item on the Order not delivered on a timely basis.

<u>Total Cost of Products Assessed/Order</u>	<u>Liquidated Damages</u>
Under \$1,000.00	\$5.00
\$1000 up to \$4999.99	10.00
\$5000 up to \$9999.99	20.00
\$10,000 and up	25.00

VENDOR AND PRODUCT EVALUATION

The SPO shall distribute vendor and product evaluation forms to the agencies with the issuance of the resulting price list.

Product Evaluation. Upon receipt by the SPO, Contractor shall be sent a copy of the complaint(s) regarding product quality. Contractor shall follow up the complaint(s) with the manufacturer and respond to the SPO as to what remedies have or will be taken to correct the problem. If product quality is not corrected and the complaint(s) persist, steps will be taken to delecte product from the price list.

Vendor Evaluation. In the event of a complaint regarding a Contractor's service (i.e. delivery delays, numerous backorders, failure to correct defective product deliveries, etc.), Contractor shall be sent a copy of the complaint(s). Contractor shall meet with or contact the agency that issued the complaint at the agency's place of business to resolve the problem. This shall take place within one (1) week of notification. Contractor shall contact and inform the SPO specialist as to the corrective measures taken to resolve the complaint.

Should the Contractor consistently receive complaints for poor service or refuses to resolve the complaints, the Procurement Officer reserves the right to terminate the contract and/or initiate the debarment process pursuant to Chapter 3-126, HAR, Legal and Contractual Remedies.

The resolving of complaints pursuant to product and vendor evaluation notifications shall be done at no additional charge to the State.

INVOICE AND PAYMENT

Delivery receipt(s) showing the IFB and Order numbers, signed and dated by State personnel, and the original plus three (3) copies of invoice shall be forwarded to the ordering agency indicated on the Order.

Section 103-10, HRS, provides that the State shall have thirty (30) calendar days after receipt of invoice or satisfactory delivery of goods to make payment. For this reason, the State will reject any offer submitted with a condition requiring payment within a shorter period. Further, the State will reject any bid submitted with a condition requiring interest payments greater than that allowed by §103-10, HRS.

The State will not recognize any requirement established by the Contractor and communicated to the State after award of the contract, which requires payment within a shorter period or interest payment not in conformance with statute.

QUALITY OF FURNITURE

New Products. The Contractor shall deliver products under this contract that are new and of the best quality or their respective kind.

Defective or Damaged Products. The products delivered shall be free from defects that may render them unfit for use. The Contractor shall immediately remove damaged or rejected products from the site and replace them with products of the required quality.

Failure to replace or to remove any rejected item shall not relieve the Contractor from the responsibility imposed upon him by the contract. No payment, whether partial or final, shall be construed to be an acceptance of defective work.

In the event of damage, due to defect or freight damage, a loaner is to be offered until the permanent furniture is received. Replacement or repair of damaged/defective furniture shall be completed within thirty-eight (38) calendar days from date of non-acceptance or rejection. Furniture delivered after this period shall be considered late and liquidated damages will apply.

The State may, at any time, by written order, stop work or delivery of specific items of furniture or equipment not conforming to these specifications. The stop order shall not relieve the contractor of the obligation to complete the contract within the contract time limits, nor shall it in any way terminate, cancel or abrogate the contractor or any part thereof.

Finish. All finish shall be done at the factory. No field finishing shall be permitted except slight retouching to leave material in new workmanship like manner. All materials of every description shall show no traces of machine or mill marks. All materials for finishing shall be the best of their respective kinds.

WARRANTY

Bidder understands that PRODUCT WARRANTY is guaranteed and furnished by the Contractor.

Warranty Period. All products, shall be guaranteed by the Contractor for a minimum period of one (1) year from the date of acceptance.

Product Guarantee. The Contractor shall provide during the warranty periods all services and materials, including but not limited to parts, labor and travel costs, to replace or repair any product of defective workmanship and/or material, including but not limited to warping, buckling, cracking, or other defects not due to abuse or negligence on the part of the State.

SALES REPORT

Sales reports shall be submitted to the SPO and shall indicate the total quantity purchased by the State for each item awarded. This report shall be provided six (6) months after the start of the contract and at the end of the contract period.

ADDITIONS, AMENDMENTS AND CLARIFICATIONS TO THE GTC

Additions to the GTC:

Approvals. Any agreement arising out of this offer may be subject to the approval of the Department of the Attorney General as to form, and is subject to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order, or other directive.

Cancellation of Solicitations and Rejection of Offers. The solicitation may be cancelled or the offers may be rejected, in whole or in part, when in the best interest of the purchasing agency, as provided in §§3-122-95 through 3-122-97, HAR.

Confidentiality of Material. All material given to or made available to the Contractor by virtue of this contract, which is identified as proprietary or confidential information, will be safeguarded by the CONTRACTOR and shall not be disclosed to any individual or organization without the prior written approval of the STATE.

All information, data, or other material provided by the Offeror or the Contractor to the State shall be subject to the Uniform Information Practices Act, chapter 92F, HRS. The Offeror shall designate in writing to the Procurement Officer those portions of its unpriced offer or any subsequent submittal that are trade secrets or other proprietary data that the Offeror desires to remain confidential, subject to §3-122-58, HAR, in the case of an RFP, or §3-122-30, HAR, in the case of an IFB. The Offeror shall state in its written communication to the Procurement Officer, the reason(s) for designating the material as confidential, for example, trade secrets. The Offeror shall submit the material designated as confidential in such manner that the material is readily separable from the offer in order to facilitate inspection of the non-confidential portion of the offer.

Price is not confidential and will not be withheld. In addition, in the case of an IFB, makes and models, catalogue numbers of items offered, deliveries, and terms of payment shall be publicly available at the time of opening regardless of any designation to the contrary.

If a request is made to inspect the confidential material, the inspection shall be subject to written determination by the Office of the Attorney General in accordance with chapter 92F, HRS. If it is determined that the material designated as confidential is subject to disclosure, the material shall be open to public inspection, unless the Offeror protests under chapter 3-126, HAR. If the request to inspect the confidential material is denied, the decision may be appealed to the Office of Information Practices in accordance with §92F-15.5, HRS.

Nondiscrimination. No person performing work under this Agreement, including any subcontractor, employee, or agency of the Contractor, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

Records Retention. The Contractor and any subcontractors shall maintain the books and records that relate to the Agreement and any cost or pricing data for three (3) years from the date of final payment under the Agreement.

Correctional Industries. Goods and services available through Correctional Industries (CI) programs may be the same or similar to those awarded by competitive sealed bids or proposals. Agencies participating in SPO requirements (price list) contracts may also procure directly from CI and shall not be considered in violation of the terms and conditions of any SPO contract.

Year 2000 Compliance. All appropriate hardware, software, and systems utilized for the work specified herein shall be year 2000 compliant.

Amendments to the GTC:

Subsection 2.1 Competency of Offeror. Paragraph one is rescinded and replaced with the following:

"Prospective Offeror must be capable of performing the work for which offers are being called. Either before or after the deadline for an offer, the purchasing agency may require Offeror to submit answers to questions regarding facilities, equipment, experience, personnel, financial status or any other factors relating to the ability of the Offeror to furnish satisfactorily the goods or services being solicited by the STATE. Any such inquiries shall be made and replied to in writing; replies shall be submitted over the signatures of the person who signs the offer. Any Offeror who refuses to answer such inquiries will be considered non-responsive."

Subsection 2.5 Preparation of Offer. Paragraph four is rescinded and replaced with the following:

"An Offeror may submit only one offer in response to a solicitation. If an Offeror submits more than one offer in response to a solicitation, then all such offers shall be rejected. Similarly, an Offeror may submit only one offer for each line item (if any) of a solicitation. If an Offeror submits more than one offer per line item, then all offers for that line item shall be rejected."

Subsection 3.1(B) Preference for Hawaii Products. GTC §3.1(B), paragraphs one and two only are rescinded and replaced with the following: "A purchasing agency shall review all specifications in a bid or proposal for purchase from the Hawaii products (HP) list where these products are available; provided that the products: Meet the minimum specifications and the selling price f.o.b. jobsite; unloaded, including applicable general excise tax and use tax, does not exceed the lowest delivered price in Hawaii f.o.b. jobsite; and unloaded, including applicable general excise tax and use tax, does not exceed the lowest delivered price of a similar non-HP by more than: three per cent where class I HP are involved; five per cent where class II HP are involved; or ten per cent where class III HP are involved.

All persons submitting bids or proposals to claim HP preference shall designate in their bids which individual product and its price is to be supplied as a HP.

Where a bid or proposal contains both Hawaii and non-HP, then for the purpose of selecting the lowest bid or purchase price only, the price bid or offered for a HP item shall be decreased by subtracting therefrom: three per cent, five per cent, or ten per cent for the class I, class II, or class III HP items bid or offered, respectively. The lowest total bid or proposal, taking the preference into consideration, shall be awarded the contract unless the bid or offer provides for additional award criteria. The contract amount of any contract awarded, however, shall be the amount of the bid or price offered, exclusive of the preferences."

Subsection 3.1(C) Printing Preference. GTC §3.1(C), paragraphs one and two are rescinded and replaced with the following: "All bids or proposals submitted for a printing, binding, or stationery contract in which all work will be performed in-state, including all preparatory work, presswork, bindery work, and any other production-related work shall receive a fifteen per cent preference for purposes of bid or proposal evaluation.

Where bids or proposals are for work performed in-state and out-of-state, then for the purpose of selecting the lowest bid or evaluating proposals submitted only, the amount bid or proposed for work performed out-of-state shall be increased by fifteen per cent. The lowest total offer, taking the preference into consideration, shall be awarded the contract unless the solicitation provides for additional award criteria. The contract amount awarded, however, shall be the amount of the price offered, exclusive of the preference.

Clarifications to the GTC:

Subsection 2.8 Certification of Offeror Concerning Wages, Hours and Working Conditions of Employees Supplying Services. Section 103-55, HRS, amended by Act 149, SLH 1999, now applies to service contracts in excess of \$25,000 and also excludes professional personnel.

GTCs Not Applicable. Subsections 2.11 and 2.14 of the GTC that apply specifically to the RFP method of source selection are not applicable to IFBs. Also subsections 2.10 and 2.13 that apply specifically to the IFB method of source selection are not applicable to RFPs.